GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

13th Finance Commission Award – Balance available in PD Accounts of Urban Local Bodies (ULBs) -Permission to utilise the Grants - Orders - Issued.

FINANCE (FC &CASPS) DEPARTMENT

G.O.MS.No. 86 Dated: 23-05-2016

Read the following:

Letter No.H2/2538/2015, dated 21.03.2016 of Director of Treasuries and Accounts, A.P. Hyderabad.

O R D E R:

1. Consequent on reorganisation of Andhra Pradesh State, Government of India had indicated an allocallocation of Rs. 818.36 crores to the residuary Andhra Pradesh for the Financial Year 2014-15 as part of the 13th Finance Commission grants to the Urban Local Bodies (ULBs). In anticipation of grants from Government of India, an amount of Rs.818.36 crores was released to the Urban Local Bodies in 2014-15 as advance from the State Consolidated Fund to complete the works sanctioned with the 13th Finance Commission award. This amount was credited to the PD Accounts of the Urban Local Bodies. However, the Government of India released only Rs. 633.15 crores,that is, Rs.185.21 crore less than the indicated amount.

2. Based on the ground situation, and release of funds by the central government in the last week of the financial year, and above all, the request of the local body representatives, the Urban Local Bodies (ULBs) were permitted to utilise the amount released as part of the 13th FC Award in 2014-15 FY, to complete the works initiated in 2014-15 financial year, until 31 March 2016. This was done on an exceptional basis in the interest of utilising the unspent money on public services.

3. In the reference read above, the Director of Treasuries and Accounts, A.P. Hyderabad has requested the Government to clarify whether the balances available in the PD accounts of ULBson 31 March 2016have lapsed or could be utilised during 2016-17 financial year.

4. After careful consideration of the matter, the Urban Local bodies are hereby authorised to utiliseseventy seven and half per cent (77.5%) of the amount under 13th Finance Commission Grants deposited in the PD Accounts of the MunicipalCorporations and Municipalities. This money shall be utilised only for

completing the ongoing works started under the 13th Finance Commission award and complete and effect payment by 31 December 2016. All concerned are informed that the funds that remained un-utilised by 31 December 2016 will revert to the Consolidated Fund of the State Government and thereafter will not be available to the Local Bodies.

5. The Director of Treasuries and Accounts, A.P. Hyderabad is hereby authorised to permit expenditure from the PD Accounts of Urban Local Bodies of the State to the extent of seventy seven and half per cent (77.5%) of the money deposited for this purpose in 2014-15 FY. This authorisation is valid unitl 31 December 2016. The Director of Treasuries and Accounts is also permitted to clear the bills pending, if any, on 31 March 2016pertaining to these grants.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

DR PV RAMESH, IAS
PRINCIPAL FINANCE SECRETARY TO THE GOVERNMENT

To
The Principal Secretary, MA & UD Department, A.P.Secretariat, Hyderabad.
The Director ofMunicipal Administration, A.P. Hyderabad
The Engineer-in-Chief of Public Health Department
All District Collectors / Commissioners of Municipal Corporations and Municipalties in the State / District Treasury Officers
OSD to Minister of MA & UD
The Director Treasuries and Accounts, A.P. Hyderabad.
The Accountant General, A.P. Hyderabad.
Copy to Copy to S.F./S.Cs.

// FORWARDED::BY ORDER//

SECTION OFFICER